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WELD-CELLUCCI EMERGENCY PLAN FOR FISCAL RECOVERY
February 1991 - June 1992

EXECUTIVE SUMMARY

OVERVIEW OF PROBLEM

In recent years, when the Massachusetts economy was thriving, state government grew with little planning or regard to future economic conditions. But as the economy slowed and revenues fell, the level of spending continued unabated. As a result, Massachusetts today faces a structural deficit that not only threatens the most worthwhile of services, but the ability of our economy to grow again.

We estimate that if no action were taken to reduce the size of state government, the deficit for fiscal 1991 would be $850 million. This figure anticipates expenditures totalling $13.904 billion and revenues of $13.054 billion.

Similarly, if spending continued at current levels during fiscal 1992, we estimate that the deficit for that year would total $1.820 billion. This figure is based on expenditures equalling $15.076 billion and a revenue projection of $13.256 billion.

OVERVIEW OF WELD-CELLUCCI PROPOSAL

This proposal is a 17-month plan to close the fiscal 1991 deficit and to resolve the structural deficit for fiscal 1992 and the years following.

We will file a fiscal 1992 budget next month, but many structural reforms and reductions to the base of the budget are contained in this package because they require immediate action.

In addition, this proposal contains many long-term solutions whose full impact will not be felt until fiscal 1992, but which do realize some savings in fiscal 1991.

We can and will immediately implement many of the measures contained in this proposal through administrative actions, including the Governor's authority to reduce allotments under Chapter 29, Section 9C. Other measures require federal waivers for which applications are in the process of being filed. Still other measures require legislation which will be filed next week. In order to realize the full amount of savings contained in the measures, the Legislature would need to take action on them by February 21, 1991.

The recommendations in this proposal involve implementing entrepreneurial approaches to state government; reorganizing the executive branch, as well as specific areas of government, in order to maximize efficiency and achieve administrative savings; consolidating agencies and institutions; instituting structural reforms aimed at controlling areas of government where spending has been unchecked; tightening eligibility for what have become middle-class entitlements; and increasing some direct payments for services.

The implementation of these measures will result in the elimination of approximately 6,000 positions.

Some of the steps proposed in this package are done so reluctantly. However, they are preferable to raising taxes, which would destroy our already troubled economy, throwing thousands of Massachusetts citizens out of work.

Taking these steps now should prevent further deterioration in our ability to pay for government services in the future.

SUPPLEMENTAL SPENDING

Next week, we will file a supplemental budget for fiscal 1991 to replenish necessary accounts that will be depleted by the end of the fiscal year. The supplemental appropriations have been factored into our deficit projection.

REPEAL OF SALES TAX ON SERVICES

The service industry is among the major job-producing sectors of our economy, and it has remained among the more healthy sectors even as our overall economy has sputtered.

Extending the sales tax to professional and business services would cripple that vital industry, putting thousands of Massachusetts residents out of work, and deprive emerging companies of valuable resources.

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Next week, we will file legislation to repeal the tax, which has yet to go into effect. The short-term revenue loss of $27 million in fiscal 1991 and $136 million in fiscal 1992 has been factored into our deficit projections.

UNIVERSAL HEALTH CARE

In an effort to relieve the regulatory burden which threatens future growth of small business, we will file legislation to repeal the $1,680 universal health care mandate on employers scheduled to go into effect on January 1, 1992.

AREAS TO RECEIVE INCREASED FUNDING IN FY '92

Health and Human Services

Prevention is more cost-effective than cure. In keeping with that principle, our proposal increases funding in fiscal 1992 for the following programs:

* Women, Infants and Children program (+$3 million)

* Family health programs, including pre-natal care, early intervention, maternal health programs and other services aimed at high risk populations (+$2 million)

* Teen pregnancy prevention (+$1 million)

* AIDS funding (+$2 million)

Elder Affairs

Elder Home Care is more cost effective than early institutionalization, and it is a preferable form of care for many of our elderly citizens. The cost of nursing home care in Massachusetts is, on average, $36,000 per year, while the cost for Home Care services averages between $3,000 and $5,000 per year. Moreover, the rate of federal reimbursement for Home Care is higher than that for nursing home care.

Therefore, our proposal increases the appropriation for this account by $4 million.

Tourism

Tourism and related industries are a critical sector of the Massachusetts economy. Increasing our investment in tourism goes hand in hand with our goal of increasing trade. This dual strategy is a cornerstone of our economic recovery plan. It is estimated that $1.00 invested in tourism generates $8.00 in state government revenues.

Our proposal increases funding for tourism by $4 million.

Corrections

The early release of inmates because of overcrowding is a problem that endangers public safety and shakes confidence in our system. We are working with state officials and county sheriffs on a plan to house inmates in existing state buildings. However, we anticipate that this plan, while reducing the need to build new prisons, will require additional funding for the purpose of staffing.

Therefore, our proposal increases the corrections appropriation by $4 million.

SAFETY NET

A fundamental responsibility of state government is to provide services for our most vulnerable citizens. Cutting those services may endanger those who are truly dependent on them for their survival. Aid to Families with Dependent Children is one such program and is, perhaps, the most critical safety net for our state's most vulnerable and needy citizens. We have maintained the current AFDC benefit level.

We are, however, establishing a voucher system for the rent and clothing allowance provisions of the AFDC program to ensure that those benefits are used as they are intended.

LOCAL AID

We feel it would be unfair to balance the fiscal 1991 budget on the backs of communities which have already budgeted for those dollars as allocated. Therefore, we will maintain level funding of local aid for the remainder of fiscal 1991.

However, local aid has grown to represent a substantial portion of the state budget. It would not be possible to maintain level funding of local aid in fiscal 1992 and still balance the budget without drastically cutting direct state services to the truly needy and helpless in our society.

Therefore, our fiscal 1992 budget will reduce local aid by $270.6 million, although the modification of state mandates on cities and towns and an increase in lottery funds used for the purpose of local aid will result in a net loss to municipalities of only $75.2 million.

In addition, we believe the local aid formula must be restructured to reflect a fairer distribution based on a community's ability to pay. We are devising a formula that will direct more resources to depressed communities. In addition, the existing formula allocates dollars without regard to performance. The formula we propose will include a system of incentives designed to reward good management.

At the same time, we believe cities and towns should be relieved of state mandates that restrict their ability to manage while draining their resources. Therefore, we are proposing the elimination or modification of various mandates. Taken togetner, these measures are expected to offset any reauction in local aid for fiscal 1992 by $195.4 million.

The measures include:

* Repealing the cancer presumption law which is expected to cost cities and towns $1.4 million in fiscal 1992 and $300 million over the course of the next 15 years. Repeal of this law will not preclude firefighters from proving their illness is job related as they can without this statute in other states.

* Easing Chapter 766 requirements by conforming eligibility to the federal standard. The percentage of public school children in special education increased from 11.2 percent in 1978-79 to 16.2 percent in 1988-89, while total school enrollment declined within the same period. Massachusetts' special education enrollment is 35 percent above the national average. This program, which was originally designed to assist severely handicapped students, has become a vehicle for removing discipline problems from the classroom. Our proposal to tighten eligibility to the federal standard will ensure that resources will be directed to those for whom the program was originally intended. We are also proposing conforming the benefit level to the federal standard. Chapter 766 reform is expected to save the cities and towns $54 million in fiscal 1992.

* Allowing cities and towns to equalize municipal employee insurance contributions in dollar terms for health maintenance organizations and traditional indemnity plans. We estimate this will save cities and towns $8 million in fiscal 1992.

* Modifying the prevailing wage law by exempting service contracts and building projects worth less than $250,000. This measure is estimated to save municipalities $50 million in fiscal 1992.

We are also proposing that the cap on lottery money distributed to cities and towns be removed to allow them to capture more dollars if lottery revenues exceed projections. In addition, we are working with Treasurer Joseph Malone to generate an additional $75 million in lottery proceeds for local aid.

ENTREPRENEURIAL GOVERNMENT

Proposals designed to bring an entrepreneurial approach to government are sprinkled throughout this package (in the section dealing with education, for example). Others include:

* Privatization of hazardous waste clean-up.

* Streamlining permitting and compliance programs.

* Privatization of the Stone and Franklin Park zoos.

* Sharing of overhead costs by purchase-of-service providers.

* Privatization of MDC and DEM skating rinks.

* Elimination of funding of housing authority operating deficits -- a practice that has had the effect of rewarding poor management.

* Creation of Enterprise Zones to spur economic growth by providing tax incentives to businesses which locate or expand in depressed areas.

EDUCATION

Next week, we will file legislation reorganizing the education bureaucracy by eliminating the Board of Regents and the Board of Education and placing both higher education and K-12 under a new secretariat of education. We believe this reorganization will elevate the status of education in state government and vest in the secretary of education the responsibility and authority needed to overhaul our educational system.

In addition, by giving the education secretary the fiscal controls needed to reform the educational system, we believe that substantial savings in administration can be achieved.

Schools that may have to close will be chosen according to objective criteria.

We are also proposing a 33 percent increase in tuition at state-owned colleges and universities. The increase will raise tuition as a percentage of the cost to educate a student from its current 27 percent to the national average of 35 percent.

At the same time, we propose converting the existing scholarship program to a revolving loan program, and we will maintain the existing needs-based formula so that the increase in tuition will fall on those who can afford to pay it.

A major tenet of entrepreneurial government is forcing government to compete with the private sector. When consumers of government services are offered a choice between the public and private sectors, government becomes more efficient. For that reason, we are filing legislation to establish a pilot "Choose-a-School" voucher program.

PUBLIC SAFETY

Planning for the consolidation of the State, MDC, Registry and Capitol police forces is now underway. We strongly support this consolidation and will file legislation to move this effort forward. We believe the consolidation will achieve economies by centralizing administration, thereby freeing up resources and putting more police officers on the street.

The same reorganization plan will also propose consolidating the Architectural Access Board, the Division of Inspection, and the Board of Building Regulations and Standards into one agency.

Other proposals we are making in the area of public safety include:

* Restricting the use of State Police at Department of Public Works construction sites.

* Converting the Bridgewater State Hospital Center for the Sexually Dangerous to a corrections facility and filing legislation to repeal the Sexually Dangerous Persons law. This proposal is part of our effort to bring a public safety approach to corrections.

REORGANIZATIONS and CONSOLIDATIONS

Pursuant to the Massachusetts Constitution, we will file a reorganization of the executive branch. The plan is designed to make government more efficient and save money by streamlining administrative functions. The highlights include:

* Combining the Department of Personnel Administration, the Office of Employee Relations, the State Office of Affirmative Action, the Group Insurance Commission and the Public Employee Retirement Administration into a new Department of Employment Administration.

* Merging the Energy Facilities Siting Council into the Department of Public Utilities.

* Merging the Office for Children into the Executive Office of Health and Human Services.

* Elimination of the Agricultural Development Division (its $325,000 WIC coupon program being transferred to the Department of Public Health).

* Elimination of the Retirement Law Commission whose functions are covered by the Public Employee Retirement Administration.

* Transfer of the Division of Banking to the Executive Office of Economic Affairs from the Executive Office of Consumer Affairs.

We will file separate reorganization proposals that include:

* Abolishing the Metropolitan District Commission and moving its parks, zoos and rinks into the Division of Environmental Management and its roads into the Department of Public Works.

* Consolidating the Office of Campaign and Political Finance with the State Ethics Commission -- two agencies with compatible missions that could share administrative costs.

STATE HOSPITAL CONSOLIDATIONS

In an effort to deliver health care and human services more efficiently, we plan to consolidate Department of Public Health institutions for a savings in fiscal 1992 of $4.6 million. Currently, some DPH hospitals are operating below capacity at a higher per-patient cost than the average alternative in the private sector. Under this plan, patients will be transferred to other hospitals, public and private, where care meets federal standards and which are eligible for federal reimbursement.

Similarly, we plan to consolidate Department of Mental Health facilities for a fiscal 1992 savings of $6.8 million. This consolidation will allow the state to obtain full accreditation, resulting in greater federal reimbursements for patient care, and to achieve operational and energy savings.

For each consolidation, a commission will be appointed to hold public hearings and recommend, on the basis of objective criteria, which facilities should be closed.

OTHER DOWNSIZING INITIATIVES

We have undertaken downsizing initiatives that will yield savings in fiscal 1992.

Some examples are:

* Closing 18 of 37 branches of the Registry of Motor Vehicles and transferring responsibility for administering written examinations to registry clerks for a total savings of $2.75 million in fiscal 1992.

* Abolition of the four DPW associate commissioner positions.

* Elimination of legislative liaison positions from cabinet secretariats and merging necessary functions into legal counsels' offices.

* Reducing by 15 percent the space leased by state agencies.

* Auctioning 1,000 state vehicles.

MEDICAID

Medicaid is an area where government spending has grown out of control. Federal restrictions on program changes, growing welfare case loads and escalating health care costs have helped to drive up Medicaid costs. However, Medicaid is also an example of a program that has expanded beyond its intended scope to become a middle class entitlement.

We are recommending steps to tighten eligibility for this program and eliminate abuse. These steps include:

* Using the home as an asset in determining Medicaid eligibility, for a savings of $15 million in fiscal 1992.

* Tightening pre-admission screening regulations for nursing homes, for a savings of $12.5 million in fiscal 1992.

* Requiring the submission of tax returns and notification of deed transfers as part of the eligibility procedure, for a fiscal 1992 savings of $4 million.

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY

The MBTA is another area where uncontrolled spending is draining the state's treasury. We are proposing cost-control measures that include requiring MBTA employees to contribute to their health insurance costs as other state employees do.

Other measures we have proposed are designed to strengthen the state's hand in negotiating contracts. They include eliminating binding arbitration for all MBTA unions.

In addition, we will begin to institute some controls on the state subsidy to the MBTA, including a cap on capital spending.

Finally, in an effort to reduce the MBTA's reliance on state subsidies, we are proposing an increase in MBTA fares for both bus and rail transportation (rail: .75 to 1.00; bus: .50 to .75). This increase is consistent with our belief that those who receive state services should more directly pay for them. The revenue raised by the fare increases, estimated at $5 million for fiscal 1991 and $21 million for fiscal 1992, will be dedicated to pay MBTA debt service. Fares for the elderly and handicapped will remain unchanged.

GENERAL RELIEF

General Relief was originally intended as a temporary intervention measure but has grown to become a form of extended assistance, providing insufficient incentive for recipients to move off its rolls and into the workforce.

We propose limiting the length of stay on General Relief to a period of 12 months. Presently, the average length of stay is 13 months. We anticipate savings of $15 million in fiscal 1992 as a result of this change.

PERSONNEL

We believe that sacrifices made to put Massachusetts on a sound fiscal footing should be shared by those of us in state government. The Speaker of the House, the President of the Senate and the State Treasurer have taken the lead in cutting their own budgets. Following their lead, we have combined the Governor's and Lieutenant Governor's offices and staff, and reduced spending by $100,000 for fiscal 1991.

Additionally, we are proposing the following measures with regard to state employee benefits:

* Increasing the amount that state employees contribute to their health insurance from 10 percent to 25 percent for a savings of $66 million in fiscal 1992. We are also recommending the creation of a "cafeteria plan" to be implemented beginning in fiscal 1993.

* Requiring all state employees with free parking privileges to pay $5.00 a day for parking, generating $1.5 million in annual revenue.

* Elimination of tuition reimbursement for dependents of state employees attending state schools, for a savings of $1.5 million.

FISCAL YEAR '91 SOLUTION

The $850 million deficit facing us in fiscal 1991 is our most pressing problem and one which, because of time constraints, leaves us little flexibility. A significant portion of that deficit can be eliminated through crisis management at the cabinet and agency level. However, we have been compelled to take some actions that in normal circumstances we would not pursue.

For the past three weeks, a down-sizing team made up of aides to the Governor and Lieutenant Governor has been working with cabinet secretaries to come up with spending reduction targets for each secretariat. The amount of money that we and the cabinet secretaries believe can be saved through administrative controls totals $324 million. Some of these savings measures will be implemented immediately through the exercise of the Governor's power of allotment. The remainder of the savings will be achieved by the cabinet secretaries in continued cooperation with the down-sizing team.

Other measures we are proposing include:

* Emergency legislation to establish a mandatory unpaid furlough of 10 days for all state employees, for a savings of $90 million. The alternative to this unfortunate measure would be additional permanent lay-offs.

* Selling identified land and water rights to state authorities, generating $140 million.

* Implementing a plan to sell $560 million worth of state assets over a five year period of time. The plan is expected to reap $90 million in fiscal 1991. (The plan will generate approximately $300 million in fiscal 1992.)

* Working with the State Treasurer to refinance a portion of the state debt created by deficit borrowing in recent years. The restructuring of that debt is estimated to save $30 million for fiscal 1991. (The plan is expected to yield approximately $260 million in savings in fiscal 1992.)

* Requiring the Massachusetts Turnpike Authority to fund snow and ice removal, for a savings to the state treasury of $24.2 million.

* Delaying temporarily a $134 million payment to the state pension fund. It is our hope that the spending and revenue situations will improve to the point that we do not have to pursue this option. However, we will reluctantly follow this course if the alternatives are raising taxes, cutting services to the needy, or reducing the final local aid payment to our cities and towns.

THE COMMONWEALTH OF MASSACHUSETTS

The Weld-Cellucci Emergency Plan for Fiscal Recovery

Feb. 1991 - June 1992

Education

Estimated Savings

FY 91	$7,600,000
FY 92	$108,900,000

Reorganization

- *Reform the administration of public education and create a Secretariat of Education within the cabinet*

WELD-CELLUCCI EMERGENCY PLAN FOR FISCAL RECOVERY
February, 1991 - June, 1992

FY 1991 Secretariat: Education

SAVINGS TARGET

Savings targets in education total $800,000. Actions will include:

- *Close regional centers...$600 thousand*
- *Lay off 26 Bureau of Institutional School staff...$200 thousand*

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1:

ANTICIPATED SAVINGS: **STAFFING REDUCTION:**

FY 1991 Secretariat: Higher Education

SAVINGS TARGET

Savings targets in the Higher Education system total $6,600,000. Actions will include:

- *Freeze spending at current rates...$5 million*
- *Reduce Board of Regents staffing...$300 thousand*
- *Eliminate County Cooperative Extension Program, with 4-H exception...$500 thousand*
- *Eliminate McNair Program...$800 thousand*

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1:

ANTICIPATED SAVINGS: **STAFFING REDUCTION:**

WELD-CELLUCCI EMERGENCY PLAN FOR FISCAL RECOVERY
February, 1991 - June, 1992

FY 1992 Secretariat: Education

CREATE SCHOOL BUILDING ASSISTANCE CORPORATION

This proposal would take the School Assistance Building Program off the operating budget and will facilitate controlled growth.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: ✔ House 1:

ANTICIPATED SAVINGS: $0 STAFFING REDUCTION:

FY 1992 Secretariat: Education

CLOSE REGIONAL D.O.E. CENTERS

Two of the four regional education centers closed in FY91.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $2,258,000 STAFFING REDUCTION: 66

FY 1992 Secretariat: Education

ELIMINATE STATE SUBSIDY FOR TUFTS VETERINARY SCHOOL

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $3,981,000 STAFFING REDUCTION:

FY 1992 Secretariat: Education

ELIMINATE COUNTY COOPERATIVE EXTENSION

When first created, the County Cooperative Program had as its focus the promotion of the Commonwealth's agricultural sector. Today, the program operates 4H programs for youth, home economic programs to improve family life. Until the early 1980s, the County Cooperative Program was financed solely by the counties; however, throughout the early 1980s, the state assumed the costs of the program in 11 of the 14 counties. Functions in the areas of health promotion and community health programs are also performed by other state and local agencies as well as by non-profit groups. The 4-H program will be transferred to another entity.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $2,379,000 STAFFING REDUCTION: 54

FY 1992 Secretariat: Education

ELIMINATE McNAIR PROGRAM

The McNair Program supports three outreach programs: the College Success Program, the Massachusetts Educational Outreach Program (MEOP), and the Disadvantaged Student Program (DSP).

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $3,951,000 STAFFING REDUCTION:

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February, 1991 - June, 1992

FY 1992 Secretariat: Education

ELIMINATE COLLABORATIVE ENGINEERING PROGRAM

The Collaborative Engineering Program pays the costs of tuition for students at the University of Massachusetts at Boston to attend private area universities to pursue engineering studies (U-Mass Boston does not have an engineering program). The Commonwealth already operates a full scale engineering program at U-Lowell.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $79,000 STAFFING REDUCTION:

FY 1992 Secretariat: Education

ELIMINATE FUNDING FOR NECCUM

NECCUM is a consortium of private and public colleges in northeastern Mass. There are no subsidies to other consortia.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $84,000 STAFFING REDUCTION:

FY 1992 Secretariat: Education

ESTABLISH EDUCATION SECRETARIAT; ABOLISH BOARD OF EDUCATION & REGENTS

The plan for educational reform includes: merging/closing state colleges, raising tuition, reducing central administrative staffing, changing scholarship program into low-cost loan program, and other measures listed separately.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: ✔ House 1:

ANTICIPATED SAVINGS: $74,799,000 STAFFING REDUCTION: 1,000

FY 1992 Secretariat: Education

ELIMINATE SENATORIAL HONOR SCHOLARSHIP

Part of overall Education Reform

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: ✔ House 1:

ANTICIPATED SAVINGS: $400,000 STAFFING REDUCTION:

FY 1992 Secretariat: Education

ELIMINATE GRADUATE GRANT PROGRAM

Part of overall Education Reform

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: ✔ House 1:

ANTICIPATED SAVINGS: $2,900,000 STAFFING REDUCTION:

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February, 1991 - June, 1992

FY 1992 Secretariat: Education

ELIMINATE COLLEGE TUITION BENEFITS FOR STATE EMPLOYEES

Requires collective bargaining agreement.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $1,500,000 STAFFING REDUCTION:

FY 1992 Secretariat: Education

LIMIT STATE AID TO STUDENTS AT MASSACHUSETTS SCHOOLS

Part of overall Education Reform

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: ✔ House 1:

ANTICIPATED SAVINGS: $4,000,000 STAFFING REDUCTION:

FY 1992 Secretariat: Education

REQUIRE LOCAL COMMUNITIES TO PAY COSTS OF STATE WARDS

The state pays cities, towns, and regional school districts for the education of children in the state's custody who are from another school district.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: ✔ House 1:

ANTICIPATED SAVINGS: $6,720,000 STAFFING REDUCTION:

FY 1992 Secretariat: Education

REDUCE ESSENTIAL SKILLS PROGRAM BY 10%

Funds programs to prevent students from dropping out of school. Essential Skills has been cut by 79% since FY88. Drop-out prevention programs should be reevaluate.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $219,000 STAFFING REDUCTION:

FY 1992 Secretariat: Education

SUSPEND HEALTH EDUCATION GRANT

Grants given to school districts that can demonstrate need in the area of health and education.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $112,000 STAFFING REDUCTION:

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FY 1992 — Secretariat: Education

SUSPEND STATEWIDE STUDENT TESTING

Funds statewide assessment of students in the Commonwealth. Testing will be suspended only in FY 92.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $1,106,000 — STAFFING REDUCTION:

FY 1992 — Secretariat: Education

REDUCE SPENDING FOR DOE ADMINISTRATION BY 10%

Funds central office staff and administration of DOE.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $837,000 — STAFFING REDUCTION: 20

FY 1992 — Secretariat: Education

SUSPEND TEACHER DEVELOPMENT PROGRAMS

The Carnegie Schools and Inservice Institute Grant Programs provide for teacher training. Suspension of funding for FY 92.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $663,000 — STAFFING REDUCTION:

FY 1992 — Secretariat: Education

ELIMINATE SCHOOL-TO-WORK PROGRAM

Provides grants to urban school districts for job-related services for high risk high school students. Program should be re-evaluated.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $864,000 — STAFFING REDUCTION:

FY 1992 — Secretariat: Education

SUSPEND LUCRETIA CROCKER PROGRAM

Provides grants so that exemplary educational programs can be copied in other schools.

MECHANISM FOR SAVINGS:

Allotment: Federal Waiver: Legislation: House 1: ✔

ANTICIPATED SAVINGS: $471,000 — STAFFING REDUCTION:

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FY 1992 — Secretariat: Education

ELIMINATE DUPLICATIVE LITERACY PROGRAM

Provides funding to run a literacy program using volunteers.

MECHANISM FOR SAVINGS:

Allotment: | Federal Waiver: | Legislation: | House 1: ✔

ANTICIPATED SAVINGS: $374,000 — STAFFING REDUCTION:

FY 1992 — Secretariat: Education

REDUCE ADULT BASIC SKILLS PROGRAM BY 10%

Funds programs for illiterate, marginally literate, and English- as-a-second-language adults.

MECHANISM FOR SAVINGS:

Allotment: | Federal Waiver: | Legislation: | House 1: ✔

ANTICIPATED SAVINGS: $381,000 — STAFFING REDUCTION:

FY 1992 — Secretariat: Education

SUSPEND EDUCATIONAL TECHNOLOGY GRANTS

Funds ten model computer and media-based educational technology training programs.

MECHANISM FOR SAVINGS:

Allotment: | Federal Waiver: | Legislation: | House 1: ✔

ANTICIPATED SAVINGS: $35,000 — STAFFING REDUCTION:

FY 1992 — Secretariat: Education

REDUCE STAFF IN BUREAU OF INSTITUTIONAL SCHOOLS

Funds educational programs for students in institutional settings and correctional facilities. Reduction assumes 25 layoffs.

MECHANISM FOR SAVINGS:

Allotment: | Federal Waiver: | Legislation: | House 1: ✔

ANTICIPATED SAVINGS: $793,000 — STAFFING REDUCTION: 25

FY 1992 — Secretariat: Education

ESTABLISH PILOT "CHOICE/VOUCHER" PROGRAM FOR SCHOOLS

MECHANISM FOR SAVINGS:

Allotment: | Federal Waiver: | Legislation: ✔ | House 1:

ANTICIPATED SAVINGS: — STAFFING REDUCTION: